By:Flynn, HardcastleH.B. No. 1929Substitute the following for H.B. No. 1929:By:BonnenC.S.H.B. No. 1929

A BILL TO BE ENTITLED

AN ACT

2 relating to the comptroller's electronic funds transfer system and 3 the use of electronic paycards. 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 5 SECTION 1. Section 403.016, Government Code, is amended by

6 amending Subsections (b), (c), and (j) and adding Subsection (k) to 7 read as follows:

8 (b) The comptroller shall use the electronic funds transfer 9 system to pay an employee's net state salary and travel expense 10 reimbursements unless[+

11 [(1)] the employee <u>agrees instead to accept payment on</u> 12 <u>an electronic paycard</u> [does not hold a classified position under 13 the state's position classification plan and the employee's gross 14 state salary is less than the gross state salary for a position 15 classified to group 8, step 1, of the state position classification 16 plan; or

17 [(2) the employee holds a classified position under 18 the state's position classification plan that is classified below 19 group 8].

20 (c) The comptroller shall use the electronic funds transfer21 system to make:

(1) payments of more than \$100 to annuitants by the
Employees Retirement System of Texas or the Teacher Retirement
System of Texas under either system's administrative jurisdiction,

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or to annuitants paid by the Texas Emergency Services Retirement 1 System or by another retirement system whose annuitants are paid 2 from the state treasury or from a fund with the comptroller, unless 3 the annuitant agrees instead to accept payment on an electronic 4 5 paycard; 6 (2) recurring payments to municipalities, counties, 7 political subdivisions, special districts, and other governmental 8 entities of this state; and 9 (3) payments to vendors who choose to receive payment 10 through the electronic funds transfer system rather than by 11 warrant. The comptroller shall adopt rules to administer this 12 (j) section[, including rules relating to the notifications that may be 13 provided to the comptroller under Subsection (h)]. 14 15 (k) The comptroller may make a payment in any amount to a state employee under Subsection (b) or to an annuitant under 16 Subsection (c)(1) on an <u>electronic paycard if the employee or</u> 17 annuitant agrees to accept payment by that method. 18 SECTION 2. Subchapter B, Chapter 403, Government Code, is 19 amended by adding Section 403.0161 to read as follows: 20 21 Sec. 403.0161. CONTRACTS FOR ELECTRONIC PAYCARD SERVICES. The comptroller shall contract with one or more vendors for the 22 provision of electronic paycard services. 23 24 SECTION 3. Section 659.084, Government Code, is amended to 25 read as follows: Sec. 659.084. ELECTRONIC FUNDS TRANSFER. 26 Salaries for 27 state officers and employees paid once a month shall be paid through

C.S.H.B. No. 1929

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C.S.H.B. No. 1929

- electronic funds transfer under Section 403.016 unless paid on <u>an</u>
 <u>electronic paycard</u> [warrant] as permitted under that section.
 SECTION 4. Section 403.016(h), Government Code, is
 repealed.
- 5 SECTION 5. This Act takes effect January 1, 2008.